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FISCAL IMPACT STATEMENT

LS 7195

BILL NUMBER: HB 1393

NOTE PREPARED: Jan 15, 2013

BILL AMENDED:

SUBJECT: Judicial Technology and Automation.

FIRST AUTHOR: Rep. Steuerwald

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: The bill establishes the Judicial Technology Oversight Committee (JTOC) to:

- (1) conduct a continuous study of information technology applications for Indiana's judicial system;
- (2) develop a long-range strategy for technology and automation in Indiana's judicial system; and
- (3) make recommendations to the Supreme Court concerning the implementation of policies, standards, and rules that promote the effective use of technology and automation in Indiana courts.

The bill provides that the JTOC consists of:

- (1) the Chief Justice of the Supreme Court;
- (2) the Chief Information Officer of the Office of Technology;
- (3) one member of the Senate;
- (4) one member of the House of Representatives;
- (5) one trial court judge;
- (6) one circuit court clerk; and
- (7) one attorney admitted to the practice of law in Indiana.

It increases the automated record keeping fee from \$5 to \$10 for all civil, criminal, infraction, and ordinance violation actions except actions resulting in the accused person entering into a:

- (1) pretrial diversion program agreement; or
- (2) deferral program agreement.

It also provides that the automated record keeping fee is \$5 for all civil, criminal, infraction, and ordinance violation actions resulting in the accused person entering into a:

- (1) pretrial diversion program agreement; or
- (2) deferral program agreement.

Effective Date: July 1, 2013.

Summary of NET State Impact: The bill will increase costs for the Supreme Court and the General Assembly by establishing a committee to make recommendations concerning the operations of the Judicial Technology and Automation Commission. Costs for the new committee will depend on the number of meetings and the number of members attending each meeting.

Additionally, the bill provides added fee revenue for the State User Fee Fund by raising the automated record keeping fee for certain civil, criminal, infraction, and ordinance violation actions. The \$5 increase in the automated record keeping fee for certain actions is expected to increase the funds deposited in the State User Fee Fund and ultimately the Judicial Technology and Automation Project Fund by an estimated \$4.2 M based on current case levels.

Explanation of State Expenditures: *Judicial Technology Oversight Committee (JTOC):* The bill establishes the JTOC. This seven-member committee will be staffed by the Division of State Court Administration. Committee members who are not members of the General Assembly are paid per diem, mileage, travel allowances, and other expenses from the appropriations to the Supreme Court. Members of the committee who are members of the General Assembly will receive per diem, mileage, travel allowances, and other expenses from the appropriations to the Legislative Council or Legislative Services Agency and are reimbursed in the same manner as members of interim study committees.

JTOC is to meet at the call of the chair, who is the Chief Justice of the Supreme Court or the Chief Justice's designee. JTOC is to study information technology applications for the judicial system, develop long-range strategy for technology and automation, and make recommendations to the Supreme Court that promote the effective use of technology and automation in Indiana Courts.

Judicial Technology and Automation Committee (JTAC): JTAC was established by the Indiana Supreme Court in its Administrative Rule 4(B). The bill does not repeal this committee or stop the committee from meeting. The eight members of JTAC are judges from various types of courts around the state, and they are entitled to reimbursement of travel and other reasonable expenses. However, the committee generally meets remotely.

The Committee's charge includes but is not limited to the development of a long-range strategy for technology and automation in Indiana's judicial system, including possible approaches for funding and implementation as well as the development of standards for judicial information case management systems, judicial data processing, electronic filing, deployment and use of judicial information on the Internet, and for all related technologies used in the courts.

Explanation of State Revenues: *Automated Record Keeping Fee:* The \$5 increase in the automated record keeping fee for certain actions is expected to increase the funds deposited in the State User Fee Fund by an

estimated \$4.2 M based on current case levels.

Twice a year the Treasurer of State distributes \$1.288 M from the State User Fee Fund to various funds. The remainder is deposited in the Judicial Technology and Automation Project Fund. The average annual distribution in the last five years to the Judicial Technology and Automation Project Fund was \$6.94 M.

Estimating New Revenue: The collections for state funds from the fee in 2011 totaled \$5.6 M. Assuming the average fee collected was \$6 in 2011 (the fee decreased from \$7 to \$5 on July 1, 2011) and accounting for receipt of 80% of the fee from counties that do not operate under the state's automated judicial system, it is estimated that about 1.1 million cases will be subject to this added fee. Of the estimated cases, about 95,000 were deferred or diverted. The fee increase would not apply to these cases. The new revenue that this fee increase could generate is estimated to be \$4.2 M.

New Revenue (in \$M) from Increasing the Automated Recordkeeping Fee to \$10													
Counties	Automated Record Keeping Revenue ¹		Cur- rent Fee		Est. Cases Using \$6 Average		Defer- ral/ Divers ion		Number of Cases Subject to Fee Increase		New Fee		New Revenue (in \$M)
without Odyssey *	\$5,267,173	÷	\$6	=	877,862	-	75,397	=	802,465	x	\$4	=	\$3.21
with Odyssey	<u>1,368,912</u>	÷	<u>\$6</u>	=	228,152	-	19,595	=	<u>208,557</u>	<u>x</u>	<u>\$5</u>	=	<u>\$1.04</u>
Total	\$4.25												
*Odyssey is the court’s electronic record system. A court that does not use Odyssey splits the fee, sending 80% to the State Users Fund and retaining 20% for the clerk’s record perpetuation fund. For courts with Odyssey, 100% of the fee goes to the State Users Fund.													
¹ Fees for the courts without Odyssey have been increased to account for the amount retained locally.													

Under IC 33-37-7-2, fees from actions that result in the accused person entering a pretrial diversion or deferral program are deposited in the state homeowner protection unit account. Under the bill, the amount and deposit of these funds will not change.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Automated Record Keeping Fee:* The \$5 increase in the fee for certain actions is expected to increase the funds deposited in county clerks' record perpetuation fund by an estimated \$802,500. (See *Explanation of State Revenues* for details.)

State Agencies Affected: JTAC, Supreme Court, Division of State Court Administration.

Local Agencies Affected: County clerk's record perpetuation fund.

Information Sources: Mary DePrez, JTAC; 2010 and 2011 *Trial Court Statistics*; Auditor's Data;
<http://www.in.gov/judiciary/jtac/>.

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